

AN ACT

ENTITLED, An Act to establish the value added tourism subfund and to provide for its funding and disbursement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

There is created within the revolving economic development and initiative fund, created in § 1-16G-3, the value added tourism subfund. The purpose of the subfund is to make grants or loans for tourism development, feasibility studies, or marketing.

Section 2. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

For purposes of this Act, the term, value added tourism, means the development of new or underused tourism-related activities, sites, or destinations that use historical, cultural, scenic, wildlife, or other resources so that new tourists or visitors are drawn to South Dakota or so that current classes and types of tourists or visitors lengthen their stay in South Dakota or pursue additional activities or destinations during their stay.

Section 3. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

The Board of Economic Development shall designate three million dollars of the money in the revolving economic development and initiative fund for the purposes of the value added tourism subfund.

Section 4. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

The Board of Economic Development shall administer the value added tourism subfund and make

grants or loans from the value added tourism subfund. The value added tourism subfund shall be used to develop and promote value added tourism in South Dakota.

Section 5. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

In connection with the administration of the value added tourism subfund, the Board of Economic Development may, pursuant to chapter 1-26, promulgate rules to:

- (1) Set the application procedures for those who apply for loans or grants from the value added tourism subfund;
- (2) Establish criteria to determine which applicants will receive such loans or grants;
- (3) Govern the use of proceeds of such loans or grants;
- (4) Establish criteria for the terms and conditions upon which such loans or grants shall be made, including the terms of security given, if any, to secure such loans; and
- (5) Govern the use of proceeds by lenders of funds advanced to the lenders by the board including the terms and conditions upon which the proceeds shall be loaned to borrowers for the purposes described in this Act.

Section 6. That § 1-16G-24 be amended to read as follows:

1-16G-24. Earnings on the revolving economic development and initiative fund, the value added tourism subfund, and the value added agriculture subfund may be used for the administrative costs of the Division of Finance of the Governor's Office of Economic Development. Such earnings shall be expended in accordance with the provisions of Title 4 on warrants drawn by the state auditor on vouchers approved by the commissioner of the Governor's Office of Economic Development. Eligible expenses may not exceed total interest earnings during the previous fiscal year prior to the deduction of loan losses for the same fiscal year.

An Act to establish the value added tourism subfund and to provide for its funding and disbursement.

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I certify that the attached Act
originated in the

SENATE as Bill No. 58

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 58

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State